

**Table 21. Selected Utilization Statistics**

**Selected Pro Forma and Historical Utilization Statistics**

	<u>For the Three- Month Period Ended:</u>		<u>For the Nine-Month Period Ended:</u>	
	<u>March 31, 2018</u>	<u>March 31, 2019</u>	<u>March 31, 2018</u>	<u>March 31, 2019</u>
Licensed Beds	2,775	2,775	2,775	2,775
Staffed Beds	2,170	2,253	2,170	2,253
Inpatient Admissions	29,018	28,854	86,144	86,299
Inpatient Census Days	144,939	139,310	413,444	409,998
Observation Patients	7,334	7,297	22,080	22,269
Average Length of Stay	4.99	4.83	4.80	4.75
Average Daily Census	1,610	1,548	1,509	1,496
Outpatient Visits	224,296	238,183	648,093	701,572
Emergency Room Visits	168,317	155,035	500,759	476,040
Deliveries	3,558	3,510	11,259	11,143
Inpatient Surgery Cases	5,955	6,004	18,661	18,684
Outpatient Surgery Cases	10,037	10,756	32,174	33,805
Case Mix Index (entire system)	1.668	1.705	1.668	1.682
Case Mix Index (Kennestone)	1.884	1.885	1.884	1.875

**Table 22. Sources of Revenue by Payor Source**

**Pro Forma Sources of Revenue by Payor Source**

	<u>For the Three- Month Period Ended:</u>		<u>For the Nine-Month Period Ended:</u>	
	<u>March 31, 2018</u>	<u>March 31, 2019</u>	<u>March 31, 2018</u>	<u>March 31, 2019</u>
<u>Gross Revenue by Payor:</u>				
Medicare	43.29%	44.15%	41.65%	42.79%
Medicaid	13.21%	13.37%	13.77%	13.13%
Managed Care	27.98%	28.25%	29.04%	29.14%
Self, Insurance and Other	15.52%	14.23%	15.54%	14.94%
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

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# WELLSTAR HEALTH SYSTEM, INC.

**Table 23. Combined Statement of Operations**

<b>Combined Statement of Operations</b>				
(in thousands)				
	<u>For the Three- Month Period Ended:</u>		<u>For the Nine-Month Period Ended:</u>	
	<u>March 31,</u> <u>2018</u>	<u>March 31,</u> <u>2019</u>	<u>March 31,</u> <u>2018</u>	<u>March 31,</u> <u>2019</u>
Patient service revenue, net	\$784,217	\$849,388	\$2,341,752	\$2,574,673
Other revenue	20,803	24,219	61,833	82,800
Total unrestricted revenue, gains, and other support	805,020	873,607	2,403,585	2,657,473
Expenses:				
Salaries and employee benefits	448,389	513,321	1,319,375	1,483,071
Supplies and other expenses	265,260	286,478	810,294	865,417
Depreciation and amortization	41,636	44,464	120,234	130,761
Interest	10,372	10,439	29,011	31,661
Total expenses	765,657	854,702	2,278,914	2,510,910
Operating income, before EMR costs	39,363	18,905	124,671	146,563
EMR implementation costs	13,737	-	13,737	-
Operating income	25,626	18,905	110,934	146,563
Nonoperating gains (losses)				
Investment income, net	(\$4,325)	73,622	48,697	35,668
Change in fair value of interest rate swap	2,617	(2,009)	3,180	(2,794)
Gain on disposal of property and equipment	(1)	110	219	1,022
Loss on extinguishment of long-term debt	-	-	(5,569)	-
Unrestricted revenue, gains, and other support in excess of expenses and losses	<u>\$23,917</u>	<u>\$90,628</u>	<u>\$157,461</u>	<u>\$180,459</u>

**Table 24. Combined Balance Sheets**

<b>Combined Balance Sheets</b> (in thousands)		
<b>Assets</b>	<u>March 31, 2018</u>	<u>March 31, 2019</u>
<b>Current Assets</b>		
Cash and cash equivalents	\$67,889	\$45,594
Net patient accounts receivable	574,321	641,208
Assets limited as to use – required for current liabilities	98	206
Other current assets	104,875	133,204
<b>Total Current Assets</b>	<b>747,183</b>	<b>820,212</b>
Assets limited as to use	1,202,246	1,261,733
Property and equipment, Net	1,649,822	1,699,947
Goodwill	415,039	415,174
Other assets	54,302	76,938
<b>Total Assets</b>	<b>\$4,068,592</b>	<b>\$4,274,004</b>
<b>Liabilities &amp; Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$223,627	197,136
Accrued salaries, wages and benefits	110,297	134,621
Other accrued expenses	58,424	61,784
Current installments of long-term debt and capital lease obligations	37,507	29,451
<b>Total Current Liabilities</b>	<b>429,855</b>	<b>422,992</b>
Long term debt and capital lease obligations, excluding current installments	1,419,557	1,378,342
Self-insurance reserves	142,513	178,430
Accrued pension liability	405,436	379,962
Other long-term liabilities	54,975	57,782
<b>Total Liabilities</b>	<b>2,452,336</b>	<b>2,417,508</b>
<b>Net Assets:</b>		
Unrestricted	1,569,992	1,807,871
Temporarily restricted	31,087	33,802
Permanently restricted	15,177	14,823
<b>Total Net Assets</b>	<b>1,616,256</b>	<b>1,856,496</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$4,068,592</b>	<b>\$4,274,004</b>